



# Benefit Focus

Department of Administration, Office of Group Health Insurance Boise, Idaho March 2004

Preparing for Open Enrollment in May ...

## How Your Group Health Plan is Administered; Current Remarketing Status and Activities

The Department of Administration is statutorily charged with providing **Group Health insurance** for the employees of the state of Idaho.

Following are the steps the Department takes on a regular basis in administering Health Insurance coverage. With the current remarketing efforts, a status report for each area is provided. The Department must:

1. Hire an insurance carrier to administer the claims.
2. Collect contributions from the state, its employees and retirees, to pay for claims and administrative costs.
3. Identify the design of the plan based on the estimate of contributions available.
4. Communicate to employees what the plan offers, and how to use the benefits.

### 1. Hire an insurance carrier to administer the claims

Last September, the **Technical Evaluation Group** was created to help write the Request for Proposals (RFP) to select an insurance carrier and to evaluate the responses received. The RFP was issued in November, proposals were received in January. The group is evaluating proposals with the intent of recommending a carrier in March.

### 2. Collect contributions from the State and its employees to pay for the claims, and the administrative costs.

In September, an **Employee Health Insurance Survey** was issued after learning that estimated health care costs for the FY 05 fiscal year would increase, which could result in changes to the state's current level of employee benefits. The survey was designed to gather an understanding of employee benefit priorities. See: [Survey findings](#)

One finding of the survey indicated that a majority of state employees reported that in lieu of just increasing monthly premiums or just reducing benefits to address the increase in plan costs, they would rather find a balance between increased premiums and benefit changes.

In January the Department presented an overview of the Survey results to the Legislature along with the best estimate of what insurance costs will be to the state for FY 2005. See: [CEC Committee presentation](#) It is estimated that health care costs will increase 15 percent over current fiscal year levels. Based on this estimated increase, the Legislature this year is proposing [Concurrent Resolution \(HCR 47\)](#) that will provide **\$10,923,900** in benefit cost increases for FY 2005. To date, this legislation has passed the House and is being considered in the Senate.

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## Open Enrollment 'Face to Face' Meetings in Planning Stages

Once the Idaho Legislature appropriates funding, and the FY 05 Group Health Plan is finalized, state-wide employee meetings will be conducted in **April**, preceding the plan's **Open Enrollment Period** (May 1 through 28). The open enrollment period is the **only time during the year** when you can make certain changes to your health coverage, enroll in the Flexible Spending Account Program, and change your pre or post tax premium withholding election.

Times, dates and locations of these important meetings will be announced by your agency Human Resource managers, and will be posted on the **State Employee Portal** once scheduling is completed. Some evening sessions are being considered.

Meetings are being planned for **Idaho Falls, Pocatello, Twin Falls, Boise, Nampa/Caldwell, Lewiston and Coeur d'Alene.**

*Watch for more information.*

## Group Health Insurance Plan Remarketing Overview ...

### 3. Identify the design of the plan based on the amount of contributions collected.

Once the level of funding provided by the Legislature is known, and the estimated increases in health care costs for FY 05 are determined, it is time to sit down and design a plan to include as many benefits as possible affecting as many state employees as possible within those available funds.

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### Employee Advisory Panel Organized, To Provide Input for Plan Design

The newly formed **Employee Advisory Panel**, comprised of 14 members from state agencies and education institutions throughout Idaho, held its first meeting March 1. Like their fellow state employees, members have unique health care needs. As active participants in the remarketing process, the panel members will provide valuable input to the Department so that the best balance of health care is offered to them and to their colleagues.

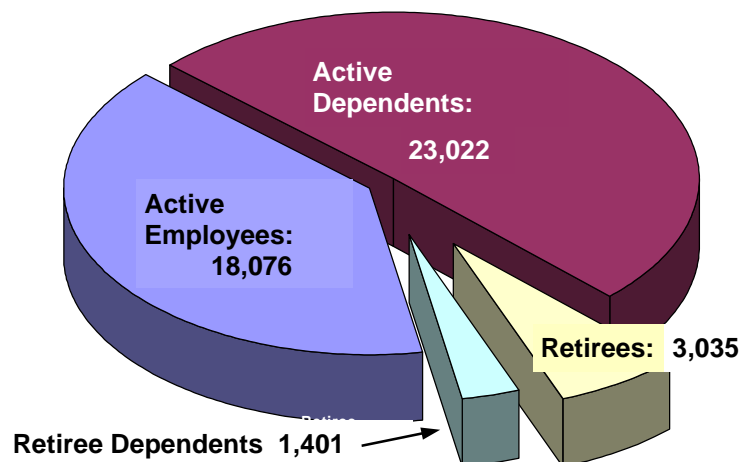
Panel members include: **Patty Hansen**, Juvenile Correction, Nampa; **Terry Higbee**, Health & Welfare, Idaho Falls; **Joyce Boyle**, Education, Boise; **Matthew Moore**, ITD, Boise; **Bob McCarl**, BSU, Boise; **Jim Powell**, Tax, Boise; **Darlene Hanks**, Health & Welfare, Twin Falls; **Lynn Bossow**, LCSC, Lewiston; **Mary Brown**, ITD, Pocatello; **Dave Autio**, ITD, Coeur d'Alene; **Nancy Lerandeau**, State Hospital North, Orofino; **Larry Sims**, DEQ, Pocatello; and **Dale Tankersley**, Boise, retired. **Pam Ahrens**, Director of the Department of Administration, serves as member/facilitator.

Also contributing to the remarketing effort is the **Human Resources Advisory Group**, made up of human resource representatives from state agencies, the Idaho Public Employees Association (IPEA), and Higher education. Created last September, this group is a forum for exchange of information and assists in communications.

### 4. Communicate to employees what the plan offers, and how to use the benefits.

The timeline is to identify a plan design by early April so the next phase of the remarketing process — communicating the plan benefits to state employees — can begin before and through the Open Enrollment Period during the month of May. The new plan will become **effective July 1, 2004**.

## 2003 State Health Plan Enrollment Total Lives Covered: 45,534



### State Insurance Remarketing Timeline of 2004 Key Activities

January:	Presentation to Legislative Change in Employee Compensation Committee (CEC)  Request for Proposal (RFP) Responses Received From Providers
February:	RFP Evaluation  Employee Advisory Group Organized to Help in Plan Design Decisions
March/April:	Employee Advisory Group Meetings  Technical Evaluation Group Proposal Interviews  Notice of Intent to Award Legislative Appropriation Plan Design Finalization  State Employee and Retiree Education Meetings and Related Information Outreach
May 1-28:	Open Enrollment



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